



BILLING CODE 6717-01-P  
DEPARTMENT OF ENERGY  
FEDERAL ENERGY REGULATORY COMMISSION

[Docket No. IC13-13-000]

COMMISSION INFORMATION COLLECTION ACTIVITIES (FERC-580);  
COMMENT REQUEST

**AGENCY:** Federal Energy Regulatory Commission.

**ACTION:** Comment request.

**SUMMARY:** In compliance with the requirements of the Paperwork Reduction Act of 1995, 44 USC 3507(a)(1)(D), the Federal Energy Regulatory Commission (Commission or FERC) is submitting the information collection, FERC Form No. 580 (Interrogatory on Fuel and Energy Purchase Practices), to the Office of Management and Budget (OMB) for review of the information collection requirements. Any interested person may file comments directly with OMB and should address a copy of those comments to the Commission as explained below. The Commission issued a Notice in the Federal Register (78 FR 26766, 5/8/2013) requesting public comments. FERC received two comments on the FERC-580. FERC addresses these comments in this notice and in its submittal to OMB.

**DATES:** Comments on the collection of information are due by [insert date 30 days after publication of this Notice in the Federal Register].

**ADDRESSES:** Comments filed with OMB, identified by the OMB Control No. 1902-0137, should be sent via email to the Office of Information and Regulatory Affairs:

[oir\\_submission@omb.gov](mailto:oir_submission@omb.gov). Attention: Federal Energy Regulatory Commission Desk Officer. The Desk Officer may also be reached via telephone at 202-395-4718.

A copy of the comments should also be sent to the Federal Energy Regulatory Commission, identified by the Docket No. IC13-13-000, by either of the following methods:

- eFiling at Commission's Web Site: <http://www.ferc.gov/docs-filing/efiling.asp>.
- Mail/Hand Delivery/Courier: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street, NE, Washington, DC 20426.

*Instructions:* All submissions must be formatted and filed in accordance with submission guidelines at: <http://www.ferc.gov/help/submission-guide.asp>. For user assistance contact FERC Online Support by e-mail at [ferconlinesupport@ferc.gov](mailto:ferconlinesupport@ferc.gov), or by phone at: (866) 208-3676 (toll-free), or (202) 502-8659 for TTY.

*Docket:* Users interested in receiving automatic notification of activity in this docket or in viewing/downloading comments and issuances in this docket may do so at <http://www.ferc.gov/docs-filing/docs-filing.asp>.

**FOR FURTHER INFORMATION:** Ellen Brown may be reached by e-mail at [DataClearance@FERC.gov](mailto:DataClearance@FERC.gov), by telephone at (202) 502-8663, and by fax at (202) 273-0873.

**SUPPLEMENTARY INFORMATION:**

*Title:* Interrogatory on Fuel and Energy Purchase Practices (FERC Form No. 580),

*OMB Control No.:* 1902-0137.<sup>1</sup>

*Type of Request:* Three-year approval of the FERC Form No. 580.

*Abstract:* FERC Form No. 580 is collected in even numbered years. The Public Utility Regulatory Policies Act (PURPA)<sup>2</sup> amended the Federal Power Act (FPA) and directed the Commission to make comprehensive biennial reviews of certain matters related to automatic adjustment clauses (AACs) in wholesale rate schedules used by public utilities subject to the Commission's jurisdiction. Specifically, the Commission is required to examine whether the clauses effectively provide the incentives for efficient use of resources and whether the clauses reflect only those costs that are either "subject to periodic fluctuations" or "not susceptible to precise determinations" in rate cases prior to the time the costs are incurred.

The Commission is also required to review the practices of each public utility under AACs "to insure efficient use of resources under such clauses."<sup>3</sup> In response to the PURPA directive, the Commission (Docket Number IN79-6-000) established an investigation. Beginning in 1982, the Commission collected "Interrogatory on Fuel and Energy Purchase Practices" data every other year.

In 2010, the Commission redesigned the form to collect the information electronically through use of a standard form. Based on filer comments in response to the

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<sup>1</sup> In the 60-day public notice the Commission indicated that the control number was 1902-0131. The number shown here is the correct number for this collection.

<sup>2</sup> Enacted November 8, 1978

<sup>3</sup> The review requirement is set forth in two paragraphs of Section 208 of PURPA, 49 Stat.851; 16 U.S.C. 824d

new electronic form used in the 2010 and 2012 collections, FERC recommends the following changes to the form:

### Question 1

- Repair the email field to eliminate error messages.

### Question 2

- Add a column labeled “Is this AAC a fuel adjustment clause?”
- Add a column labeled “Tariff volume number containing”. This information will aid staff in locating AACs.
- Remove the column and ,thus, the request for information titled:
  - o “Type/s of AAC”
  - o “Type of costs that were passed through the AAC - if fuel, state fuel type”

There has been an increasing number of AAC-related cost types. This field makes it difficult for Commission staff to repopulate the dropdowns for this column without additional OMB approval. The information otherwise gained from respondents supplying the information collected in these columns will not be lost. Staff will locate and recover the information from Commission rate filings by using the AAC identification information given by respondents in the first three columns of Question 2.

- Rename Question 2 columns as follows to correct typographical errors:

From	To
Identify service agreement within rate schedule containing AAC	Identify service schedule, if any, where the AAC is located within the rate schedule.
If rate schedule superseded or abandoned during 2012-2013	Was rate schedule superseded or abandoned during 2012-2013?

Additional changes to Question 2 table:

- Add a check box to enable the utility to indicate that it had no non-transmission related AACs during the reporting years, if the situation applies. This box, when checked, clearly indicates that there were no AACs to report.
- Add a “Copy Row” button to facilitate data entry.

We are further reducing the amount of information required for AACs that are not fuel adjustment clauses. Utilities with no fuel adjustment clauses only need to respond to questions 1 and 2. Utilities with a FAC will continue to complete the entire form.

### Question 3

- Reword the question from:

<b>From</b>	<b>To</b>
<p>If during the 2010 and 2011 period, the Utility had any contracts or agreements for the purchase of either energy or capacity under which all or any portion of the purchase costs were passed through the AAC, for each purchase provide the information requested in the table below. Provide the information separately for each reporting year 2010 and 2011. Do not report purchased power where none of the costs were recovered through an AAC.</p>	<p>If during the 2012-2013 period, the Utility had any contracts or agreements for the purchase of either energy or capacity under which all or any portion of the purchase costs were passed through a fuel adjustment clause (FAC), for each purchase from a PURPA Qualifying Facility (QF) or Independent Power Producer (IPP) provide the information requested in the non-shaded columns of the table below. Provide the information separately for each reporting year 2012 and 2013. Do not report purchased power where none of the costs were recovered through an FAC. For each purchase where costs were flowed through an FAC, fill-in the non-shaded columns and either “Only energy charges” or “The total cost of the purchase of economic power” columns, whichever apply</p>

The Commission is only interested in QF and IPP information here and not every power purchase contracts/agreement. The language will be similar to what was used in Form No. 580 interrogatories prior to 2010.

- Remove the request for information and thus the columns titled:
  - Was an after-the-fact comparison made of actual avoided costs against the purchase costs?
  - Were purchases made on an hourly economic dispatch basis?

From the information provided in the 2010 and 2012 filings the Commission has found that it can fully evaluate regulatory compliance without this information.

#### Question 6

Change the question as follows:

From	To
<p>For each fuel supply contract, where costs were subject to 18 CFR 35.14, (including informal agreements with <a href="#">associated companies</a>), in force at any time during 2012 and/or 2013, of longer than one year in duration, provide the requested information. Report the data individually, for each contract, for each calendar year. [No response to any part of Question 6 for fuel oil no. 2 is necessary.] Report all fuels consumed for electric power generation and thermal energy associated with the production of electricity. Information for only coal, natural gas, and oil should be reported. Information for ALL FUELS e.g. fossil fuels, wood chips), EXCEPT URANIUM, should be reported</p>	<p>For each fuel supply contract, of longer than one year in duration, in force at any time during 2012 and/or 2013, where costs were subject to 18 CFR 35.14, (including informal agreements with <a href="#">associated companies</a>), provide the requested information. Report the data individually for each contract <i>for each calendar year</i>. No response to any part of Question 6 for fuel oil no. 2 is necessary. Report all fuels consumed for electric power generation and thermal energy associated with the production of electricity. Information for only coal, natural gas, and oil should be reported.</p>

- As with the request for transportation information that was eliminated in 2010, the Commission has found alternative information sources and analytical approaches sufficient to eliminate the request for fuels other than coal, natural gas and oil.
- Add a “Copy Contract” button.

#### Question 6a

- Add a column labeled “Is contract evergreen?”.
- Add a column labeled “Pipeline quality? (Y/N)”.

#### Question 6b

- Add a new column to the fuel quantity section labeled: “Coal (x10<sup>3</sup>tons) not delivered by end of contract year.”
- Add a column labeled “Pipeline quality? (Y/N)”.

Questions 7 and 8. There are no proposed changes.

Glossary: Define Evergreen contracts as follows: Evergreen contract: a contract that is renewed automatically or by notice from year to year until canceled by either party.

*Access to the Revised Materials:* A copy of the form, desk reference, and glossary are attached to this docket as part of the 60-day Federal Register notice issued by the Commission on May 2, 2013 but they are not included in the Federal Register.<sup>4</sup>

Interested parties can see the form electronically as part of this notice in FERC’s eLibrary (<http://www.ferc.gov/docs-filing/elibrary.asp>) by searching Docket No. IC13-13-000 and accessing the “FILE LIST” for the May 2 notice.

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<sup>4</sup> The form attached to the 60-day notice is for illustrative purposes only and does not include all the interactive features of the actual form. For a copy of the actual form, please contact Ellen Brown as indicated in this notice.

Interested parties may also request paper or electronic copies of the form and desk reference by contacting Ellen Brown, by telephone at (202) 502–8663, by fax at (202) 273–0873, or by e-mail at [DataClearance@ferc.gov](mailto:DataClearance@ferc.gov).

*Type of Respondents:* Large FERC-jurisdictional electric public utilities.

*Estimate of Annual Burden*<sup>5</sup>: The Commission estimates the total Public Reporting Burden for this information collection as:

<b>FERC Form No. 580 (IC13-13-000): Interrogatory on Fuel and Energy Purchase Practices</b>					
	<b>Number of Respondents (A)</b>	<b>Number of Responses Per Respondent (B)</b>	<b>Total Number of Responses (A)x(B)=(C)</b>	<b>Average Burden Hours per Response (D)</b>	<b>Estimated Total Annual Burden<sup>6</sup> (C)x(D)</b>
Respondents with FACs	37	0.5	18.5	103	1,905.5
Respondents with AACs, but no FACs	10	0.5	5	20	100
Respondents with no AACs nor FACs	35	0.5	17.5	2	35
<b>TOTAL</b>					<b>2,040.5</b>

Despite the changes to the Form 580, burden estimates per response for each entity will not change from previously approved amounts. The burden estimate may vary by utility depending on whether the utility has or does not have an automatic adjustment

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<sup>5</sup> Burden is defined as the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. For further explanation of what is included in the information collection burden, reference 5 CFR 1320.3.

<sup>6</sup> The Form itself is only collected biennially but the data on the form is annual data. Therefore we maintain the convention of showing burden on an annual basis.



clause and depending on whether or not those utilities with adjustment clauses allow automatic adjustment of fuel cost.

The total estimated annual cost burden to respondents is \$142,835. [2040.5 hours \* \$70/hour<sup>7</sup> = \$142,835]

The estimated annual cost of filing the FERC Form 580 per response is \$1,742. [\$142,835 ÷ 82 responses = \$1,742/response]

*Public Comments and FERC Responses:* Comments filed by the public in response to the FERC Form No. 580 Federal Register Notice of Information Collection and Request for Comments and FERC's response to those comments is provided below. For more detailed information regarding this collection of information, please see the Commission's submission at <http://www.reginfo.gov/public/do/PRAMain>, scroll to "Currently under Review", key in "Federal Energy Regulatory Commission" and scroll to 1902-0137, "Interrogatory on Fuel and Energy Purchase Practices".

***Question 6b additional data requested***

Southern Company Services, Inc. (SCS) requests clarification addressing why the Commission proposes to add a new column in Question 6b titled "Coal (x10<sup>3</sup> tons) not delivered by end of contract year." SCS states that proper contextualization of annual variances between actual deliveries and contract quantities could impact confidential negotiations, and that it is commercially sensitive business information. Further, SCS states that the efficiencies gained by the other revisions proposed by the Commission are outweighed by the addition of this new column. SCS states that if the Commission

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<sup>7</sup> FY2013 Estimated Average Hourly Cost per FERC FTE, including salary + benefits

deems that such inquiry is appropriate for Form 580, that the Commission provide more context around its intent in proposing such an addition.

*FERC Response:* The proposal to add the new column to Question 6b originated with the Form 580 filers. Their issue is that it is not possible in the current form, to report coal delivered in, for example, 2012 under a 2011 contract. Without the new column, the Commission would have no way of knowing that a delivered coal quantity less than its contract quantity was coal truly not delivered, and that it wasn't merely a typographical error in the form. Likewise, the Commission would assume all coal reported as delivered, was delivered during the contract year when it may not have been but was reported as delivered because there was no means provided in the form to report that it was not delivered. Not having the information that the column would provide, potentially results in assumptions leading to skewed data calculations. Further, coal contract amounts, delivery amounts, and shortage amounts have been determined by OMB for decades to be public information. In addition, the data requested in the new column are data routinely calculated by the utility and are readily available to enter into the form. Lastly, given the information that the Commission proposes to eliminate from the Form 580 for the 2014 reporting cycle, the reporting burden will not increase by adding this one column.

***De minimis benchmarks***

Pacific Gas and Electric Company (PG&E) requests *de minimis* benchmarks from the Commission so that filers will know whether they are required or not to answer a question in the form without filing for a waiver.

*FERC response:* In some cases, the Commission has found it unnecessarily burdensome for utilities to answer a particular question based on the information gained from doing so. Not surprisingly, the *de minimis* determination requires a case-specific analysis using a utility-by-utility approach. Any utility that believes that its burden is not worth the information that the Commission would gain is welcome to request a waiver and in doing so provide detailed case-specific information supporting its claim. This has been the procedure used in prior years by the Commission and is approved by OMB.

***“Type of Request”***

PG&E also requests clarification of the term “Type of Request” stated at page 2 of FERC’s Notice.

*FERC response:* OMB requires approval/renewal of approvals of all collections of information every three years. The three year period does not refer to the collection frequency, but the period of time beyond which OMB’s approval of a collection of information would expire if not renewed.

Dated: July 15, 2013

Kimberly D. Bose,  
Secretary.